

REPORT TO THE HEALTH AND HUMAN SERVICES INTERIM COMMITTEE

Utah Division of Substance Abuse and Mental Health

PROGRAM AUDITS AND REVIEWS OF SUBSTANCE ABUSE AND MENTAL HEALTH AUTHORITIES AND CONTRACT PROVIDERS

July 1, 2010

I. INTRODUCTION:

The following is a report to meet the statutory responsibility of the Division of Substance Abuse and Mental Health (DSAMH) in compliance with:

U.C.A. 62A-15-103.(2)

- (g)** *Responsibilities of the Division of Substance Abuse and Mental Health, provide a written report to the Health and Human Services Interim Committee and Health and Human Services Appropriations Subcommittee on July 1, of each year, and provide an oral report if requested. That report shall provide information regarding:*
- (i) the annual audit and review;*
 - (ii) the financial expenditures of each local substance abuse authority and its contract provider and each local mental health authority and its contract provider;*
 - (iii) the status of the compliance of each local authority and its contract provider with its plan, state statutes, and the provisions of the contract awarded; and*
 - (iv) whether audit guidelines established under MACROBUTTON HtmlResAnchor Section 62A-15-110 and MACROBUTTON HtmlResAnchor Subsection 67-3-1(10) provide the division with sufficient criteria and assurances of appropriate expenditures of public funds; and*
- (h)** *If requested by the Health and Human Services Interim Committee or the Health and Human Services Appropriations Subcommittee, provide an oral report as requested.*

There are thirteen (13) Local Authorities organized in the State to provide mental health and substance abuse services. Site monitoring visits are required by State statute and focus on the Local Authority's adherence to its approved annual plan, state statutes and its compliance with the requirements set forth in their contract with the Division of Substance Abuse and Mental Health. During FY 2009, all Substance Abuse and/or Mental Health Local Authorities and/or their comprehensive service providers were monitored.

Annually by May 1, each Local Authority submits an area plan to the Division of Substance Abuse and Mental Health. In this document, the Local Authority identifies in detail the manner in which it will achieve compliance with the requirements imposed by statute. This plan is developed following an annual summit where State and Local substance abuse and mental health experts study, discuss and share best practices. This area plan document is developed locally taking into account the special needs of the citizens in its catchment area. The area plans are used by Division staff to develop the tools that will be used to monitor contracts in the new fiscal year.

The annual site visits include the following program and fiscal reviews:

1. Child Youth and Family Mental Health,
2. Adult Mental Health,
3. Substance Abuse Treatment,
4. Substance Abuse Prevention, and
5. Governance and Oversight components.

Following each site review, a comprehensive report discussing the strengths and weaknesses of each program is presented to the Local Authority. Whenever a weakness is identified, DSAMH makes recommendations for improvement. Recommendations issued contain a requirement that the Local Authority respond with an action plan for correction by a specified date. DSAMH maintains a follow up record to track corrective actions to be implemented by the Local Authorities.

The Division of Substance Abuse and Mental Health has chosen to categorize findings into three levels of severity. A minor finding results when the reviewers identify a performance inadequacy that is relatively small in scope and does not impact client well being or jeopardize funding. A significant finding is either 1) non-compliance with contract requirements that do not pose an imminent danger to clients but that result in inadequate treatment or care that jeopardizes the well being of individuals; OR 2) non-compliance in required training, paperwork, and/or documentation that are so severe or pervasive as to jeopardize the effectiveness of services and continued contract funding. A major finding results when the imminent health, safety, or well being of individuals is jeopardized. In cases of non-compliance at this level, a written corrective action plan must be completed by the Local Authority immediately and compliance must be achieved within 24 hours or less.

In rare instances, a finding from a previous year may continue unresolved at the time of the monitoring site visit. A recurring non-compliance finding will be prominently displayed in our monitoring report and will require special attention by the Local Authority to ensure its immediate resolution.

In all instances whenever a finding was identified, the Local Authority submitted a corrective action plan outlining the steps to be taken to resolve the issue. In order to facilitate the local authority's corrective actions, the Division provides technical assistance and conducts follow up visits to measure progress.

To the best of our knowledge, the information presented in this report represents an accurate evaluation of the services provided by the Local Authorities.

II. **SUMMARY OF DSAMH FY2010 MONITORING (by program):**

The functional areas reviewed and results of the FY2010 oversight reviews are provided in the following summary and are presented by programs monitored.

A. **Adult Mental Health:**

Results

Our monitoring of the thirteen local authorities resulted in six significant and fifteen minor findings identified for which the Division of Substance Abuse and Mental Health issued recommendations.

B. Child, Youth, and Family Mental Health:

Results

Our monitoring of the thirteen local authorities resulted in five significant and thirteen minor findings identified for which the Division of Substance Abuse and Mental Health issued recommendations.

C. Substance Abuse Treatment:

The State is required, under the terms of the federal Substance Abuse and Prevention (SAPT) Block Grant, to provide a “continuum of services” and the local authorities are evaluated as to how well they fulfill the terms of their contracts with the state and the requirements of the SAPT Grant. Their outcomes are measured against national trends and standards.

Results

Our monitoring of the thirteen local authorities resulted in fourteen significant and nineteen minor findings identified for which the Division of Substance Abuse and Mental Health issued recommendations.

D. Substance Abuse Prevention:

The State is required, under the terms of the federal Substance Abuse and Prevention (SAPT) Block Grant, to provide a “continuum of services” and the local authorities are evaluated as to how well they fulfill the terms of their contracts with the state and the requirements of the SAPT Grant. Their outcomes are measured against national trends and standards.

Results

Our monitoring of the thirteen local authorities resulted in twenty-three minor findings identified for which the Division of Substance Abuse and Mental Health issued recommendations.

E. Governance and Oversight:

Our monitoring follows the statutory requirement that we obtain an assurance that the local authorities are acting as outlined in the statute quoted in the introductory section of this report.

Results

Our monitoring of the thirteen local authorities resulted in one significant and eight minor findings identified for which the Division of Substance Abuse and Mental Health issued recommendations.

F. Independent Audit:

Utah Code 51-2a-201 requires each Local Authority contracts with an independent auditing firm for an annual audit. Included in the audit report is the auditors' statement that the audit was conducted in accordance with generally accepted auditing standards; financial auditing standards contained in *Government Auditing Standards*; and, in some cases, in accordance with OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*.

Audit guidelines are documented in the State of Utah Legal Compliance Audit Guide. The Division of Substance Abuse and Mental Health (DSAMH), in conjunction with the Utah State Auditor's Office, update these guidelines annually. Each year, the Local Authorities, and/or their comprehensive service providers, invite the DSAMH and Department of Human Services (DHS) to the audit opening and closing conferences. During the opening conference, we have the opportunity to request an examination of any specific issues we believe may require attention beyond the role of monitoring.

Results

Each of the local authorities submitted their independent auditor's report as required. All auditors issued reports stating the local authorities' financial reports were free from material misstatement and were fairly presented.